

TARGET MARKET DETERMINATION

Product Name	Fixed Term Deposit
Start Date	5 October 2023
Description	A term deposit is a competitive, low risk investment that is ideal for planning future financial needs such as retirement, saving a deposit for a house, or as a source of regular income.
Target Market	<p>Objectives, financial situation and needs of the Target Market</p> <ul style="list-style-type: none"> • Ideal for those who do not require instant access to their funds • For conservative, risk averse, high net worth individuals who want to enjoy a relatively high return on their funds without taking too much risk • Retirees looking to invest their lump sum pension • Young first home buyers saving for their first home • Anyone with a savings goal or to use interest as a source of income • Any individual or business customer <p>Eligibility criteria for the product</p> <ul style="list-style-type: none"> • Available to individuals or business customers. • Minimum opening balance \$1. • Successful completion of applicable Arab Bank Australia Limited (ABAL) identification check requirements. <p>Key features of the product</p> <ul style="list-style-type: none"> • Terms available from one month to five years • No account fees or charges • Ability to review Term Deposit balance online. • Option to change deposit three days after rollover date without charges, except for amounts over \$500,000. • Interest is calculated and accrued daily on the whole of the term deposit balance. • Tiered interest rate that will vary from time to time, depending on the balance of the account (see current rates at www.arabbank.com.au) • Interest may be paid at maturity, or option to elect for annual interest payments for terms of 2 years or more. • Option to terminate a Term Deposit early or have a partial withdrawal, by agreement with the Bank and at the Bank's discretion. An interest adjustment may apply to customers who withdraw or terminate before maturity; the adjustment applied will depend on the percentage of the original term elapsed and will also apply to any accrued or paid interest. The interest adjustment will apply to any accrued or paid interest. • For terms deposits of \$500,000 or more, the interest rate payable may be negotiated between the Bank and the customer at maturity. <p>Why the product is likely to be consistent with the likely objectives, financial situation and needs of the target market</p> <ul style="list-style-type: none"> • Features of the account align with the objectives of customers to save and invest in a risk averse manner • Affordability aligns with the desire of this segment to save in a risk averse manner • Offer of negotiation on rate surpassing a certain amount offers high net worth individuals the flexibility to tailor the product to their needs with the bank • Higher return due to higher interest rate than what is offered on at call accounts.
Distribution Conditions	<p>Distribution Conditions for the product</p> <p>The distribution of this product is subject to the following conditions and restrictions:</p>

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	<ul style="list-style-type: none"> ABAL staff that distribute this product must meet ABAL's minimum qualification requirement and hence must possess the following: <ul style="list-style-type: none"> Tier 2 General Advice Deposit Products The product can only be distributed to retail customers in accordance with ABAL's product and process requirements This product can be distributed: <ul style="list-style-type: none"> In branch; Online via Internet Banking, conditional on the customer already holding a Personal Online Savings Account, a Cash Management Account, or a Statement Account; and Via third-party distributors. <p>ABAL views that these conditions are appropriate and are of a nature that the distribution of the product will likely be consistent with the target market as ABAL will have close oversight of how the product is promoted and distributed by staff who are sufficiently qualified.</p>
Review Triggers	<p>The TMD may no longer be considered appropriate and a review of this TMD must be undertaken by ABAL, if any of the below review triggers occur:</p> <ul style="list-style-type: none"> A significant number of complaints received from customers who acquired the product, which relate to the customer's purchase or use of the product, and which shows that the TMD may no longer be appropriate for the product A material incident or significant number of incidents which relates to customer's purchase or use of the product, and which shows that the TMD may no longer be appropriate for the product A significant dealing of this product to customers who are outside the Target Market The receipt of a product intervention power order note from ASIC requiring ABAL to immediately cease retail product distribution conduct in respect of the product Any other event or circumstance that ABAL views would materially change a factor considered in making the TMD
First Review Date	5 October 2025
Review Period (ongoing)	<ul style="list-style-type: none"> Reviews to be conducted at least every two years Reviews to be conducted, if necessary, as prompted by a Review Trigger.
Review Trigger Information Requirements	<p>A third-party distributor must provide the following information in writing to ABAL:</p> <p>Complaint Information: On a quarterly basis, a distributor of this product must provide ABAL with:</p> <ul style="list-style-type: none"> The number of complaints received. The nature and circumstances of the complaints received. <p>Significant Dealings: If a distributor becomes aware of a significant dealing in the product that is not consistent with this Target Market Determination, they must notify ABAL in writing as soon as practicable, and within 10 business days of becoming aware of the significant dealing.</p> <p>Other Information as Requested by ABAL: ABAL may, from time to time, request additional information be provided in relation to the distribution of this product.</p>